

# Sustainable Urban Communities: Challenges and Opportunities in Kenya's Urban Sector

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## Abstract

*During the last forty years, the economic and demographic structure of Kenya has become increasingly urban. In the 1980s the urban population in the country grew at over 6.5 percent a year, more than double the rate for the rural population. This expansion has occurred even under the most adverse conditions of repressed urban investment, as was the case during the 1990s.<sup>1</sup> Presently, urban areas account for the predominant share of GDP; that is five largest Kenyan cities and urban centres generate more than 70 percent of the country's GDP<sup>2</sup>. The central role of cities in economic growth has been highlighted in the ongoing policy work especially the Economic Recovery Strategy for Wealth and Employment Creation for the period 2003-07 (ERS-WEC) and Vision 2030.<sup>3</sup> The contribution of industry and services is estimated at 88 percent of economic growth over the same period.<sup>4</sup> Policy acknowledges that development of urban areas is closely linked to the rural economy through the exchange of labour, capital, goods, services, information and technology that benefit residents in both settings.<sup>5</sup> The urbanization process is accompanied by excess demand for housing, water, sewerage, and other basic urban services, and by increasing levels of urban unemployment. These problems are compounded by poor public policy and institutional challenges. This paper describes the major challenges faced by the government, local authorities and the Civil Society Organisations as they grapple with the processes and dynamics of urbanisation. The paper draws from past experiences; lessons learned, and the opportunities that these lessons, existing policy frameworks and the challenges themselves present for action.*

**Key words:** urbanisation, poverty, capacity development, sustainable community, governance, institutional frameworks, land and land use planning.

## Introduction

This paper is an improved version of a research and workshop presentation carried out for the Swedish International Development Agency, Nairobi in November 2009. The aim of the workshop was to take stock of the agency's urban development work in Kenya and thus lay the ground work for further interventions. The initial paper focused on the NGO work in the urban sector, challenges and opportunities. The title of the paper has been refashioned to place the people at the centre of government reforms and policies in the urban sector, hence sustainable communities. The material for this paper is derived from desk literature review on the urban sector; long experience and involvement of the author as a practitioner and instructor on urban matters; and currently as PhD student.

## 1. Urbanisation Trends in Kenya

The urbanisation process is a phenomenon that has had tremendous impacts on the social and economic processes of the all countries in the world. The United Nations projects that the urban population will double in the next 30 years from just fewer than 2 billion people to nearly 4 billion. (UN, 2003) There three are causal factors for this phenomenon; i) migration from rural areas and other urban areas.

ii) natural population increase among urban residents especially when economic opportunities expand and, iii) reclassification of previously rural areas as urban, thus becoming built up areas and therefore changing their character.

It is not always easy to define what is and what is not "urban". However, it is generally accepted that the term maybe determined in terms of locality, population size, and proportion of non-agricultural activities.

<sup>1</sup> USAID (1995)

<sup>2</sup> Nairobi, Mombasa, Kisumu, Eldoret and Nakuru

<sup>3</sup> The PRSP has given way to Economic Recovery Strategy (ERS) which is being updated to inform the Vision 2030, the blueprint for development in Kenya to the year 2030.

<sup>4</sup> Government of Kenya, "Economic Survey 2006"

<sup>5</sup> World Bank Urban Sector Work, (2000), p. 2.

In Kenya, the population size of 2,000 people in a concentrated settlement qualifies for the application of the term. Due to population and economic pressures urban populations are locating increasingly in areas which are vulnerable to natural disasters, presenting a significant increase in economic and social risks. The figure below illustrates the urban population growth trends in Kenya during the periods 1969-1999. There is a clear link between economic or a nation's wealth and cities, in the fact that the world's largest cities are in the world's largest economies. In Kenya, however cities are not realizing their full potential in contributing to economic growth and poverty reduction. In fact the urban population has been increasing with decreasing economic growth; for example at independence Kenya's economy grew by 7% annually (1960s), 4% in the 1980s, 2% in the 1990s and by only 1.2% in 2001 (GoK, 2002). Rapid urbanization has strained the capacity of cities to provide the necessary infrastructure and basic urban services necessary to stimulate growth. The resultant phenomenon is evident is urban sprawl, as middle income households seek cheap land and accommodation in distant city locations, and the rapid growth of overcrowded and impoverished informal settlements in the city built up areas.

Recent UN estimates suggest that Kenya's urban population will expand to 38 million by 2030 and account for 62.7 percent of the national population.<sup>6</sup> These projections indicate that the annual urban population growth rate will average 5.2 percent up to 2010, 4.2 percent over the period 2010-20 and 3.2 percent during the succeeding decade (UN, 2003). At this rate of urbanization the majority of the Kenyan population will be living in urban areas within the next 20 years. The scale of future urbanization will pose further socio-economic, environmental and institutional challenges for Kenyan cities if the requisite policy and planning frameworks are not put in place. This paper focuses on the assessment of the challenges towards realisation of sustainable urban communities in Kenya urban centres. This paper applies more or less the same principles and specifically definitions given by Jischa (1998), whereby he contends that, in economic terms sustainability means an efficient allocation of limited goods and resources; in environmental terms sustainability means remaining within the limits of capacity of the ecosphere, preserving the natural conditions for life; while in social terms sustainability means a high degree of equal opportunity, freedom, social justice and safety.

## **2. Urbanization and Poverty**

Nairobi, Kenya's capital represents a good case study of the urbanization phenomenon and the plight of the urban poor. The bulk of the city's growth can be traced to the in-migration of poor migrants from the rural hinterland, many of whom end up in marginalized slum neighbourhoods. However, in cities such as Eldoret and Kisumu slum formation is as a result of annexation of rural settlements into municipal areas of jurisdiction through boundary extensions. People living in informal settlements form substantial proportions of populations in the five major urban centres in Kenya; in Nairobi at 60%, Mombasa at 80% (covering over 90% of the land area), Kisumu 60%, Eldoret 30% and Nakuru close to 40% (KIHBS, 2006). Living in informal settlements represents status that "cushions" the government to avoid providing physical and social infrastructure and services, including the most basic amenities such as water, electricity, appropriate sanitation, and garbage collection. The table below shows the percentage distribution of the poor in the five major urban centres in Kenya. Urban poverty in Nairobi and other urban centres is presented in various forms. A crucial indicator is the vulnerability which characterises the economic, social and environmental circumstances of low income people, households and individuals particularly those residing in low income settlements.

The high mortality rate in slum areas is due to high incidences of preventable diseases especially among children as a result of inadequate clean water supply, proper sanitation, uncollected garbage and congestion at household and neighbourhood levels. In the last ten or so years, these people have borne the brunt of high prevalence of HIV/Aids resulting to inability of sufferers from engaging in productive economic activities, increase in the number of orphans and widows again compounding the challenges of poverty. Poor living conditions in slums, is compounded by harmful pollution and precarious housing (see Plate 1 below). Urban women bear the burden of living in deplorable conditions, raising children under the most appalling conditions; they are less skilled, work for lower wages, and have to combine paid employment with household chores. In informal settlements, up to 50 percent of households are headed by women, who typically rank among the poorer segments of the population. Often unable to inherit land and property, women migrate in large numbers from the countryside to urban slums. The result of the extreme deprivation that prevails in slums, high levels of unemployment, unstable sources of income, and the predominance of low-paying jobs push many women and children into prostitution to supplement household incomes.

The disastrous effects of urban youth unemployment are becoming particularly apparent as economic stagnation, poverty, and extreme income differentials within these cities have led to a growing prevalence of crime and violence, especially among abandoned street children and unemployed young people. Inadequate skills and scarce employment opportunities make young people more susceptible to participate in rebellions and insurgencies, and to resort to illegal means of earning incomes.

**Plate 1:** A bird's view of a section of Kibera Informal settlement, Nairobi



**Source:** Nairobi Maps and Photos, 2006

High crime rates deter investment, thereby perpetuating poverty, feeding more crime and civil unrest. This vicious cycle may ultimately threaten the stability and democratic values which are the cornerstones of any development. The direct relationship between ethnicity, poverty, the youth and politics is well illustrated by Box 2 below as stated by one of the most vocal politicians in Kenya when describing the objectives and purpose of Mungiki (*Mungiki* refers to 'Muingi' or mass (of people) in the Gikuyu language)

**Box 1: A politician's explanation of why gangs of youths exist in Kenya**

*... the disinherited, the ones who have been refused everything. The schools have rejected them for want of space and they haven't found work. As far as they can see, they're excluded from everything simply for being ethnicity (quoted in Servant, 2005).  
By Nobel peace laureate, Prof. Wangari Mathai*

Source: Katumanga and Cliffe, (2005) Adopted from Nairobi, a city besieged: the impact of armed violence on poverty and development.

### 3. What is a Sustainable Urban Community?

Sustainable communities are places where people want to live and work, now and in the future. They meet the diverse needs of existing and future residents, are sensitive to their environment, and contribute to a high quality of life. They are safe and inclusive, well planned, built and run, and offer equality of opportunity and good services for all. Sustainable communities embody the principles of sustainable development that is, i) balancing and integrating the social, economic and environmental components of their community,

ii) meeting the needs of existing and future generations and, iii) respecting the needs of other communities in the wider region or internationally to make their own communities sustainable.

The paper draws from past research studies and makes references to Nairobi, the capital city, because the city presents a picture that helps us to ask and seek answers to issues regarding poor service delivery, influence of its historical growth and governance challenges. Nairobi's two main images stand in marked contrast to one another. The first is that of a well-planned garden city in which salubrious suburbs, the preservation of open space, and the presence of wide, landscaped boulevards dominate the city's physical layout. The second is what many Hake (1997) calls the "self-help city" which includes make-shift housing, roadside jua kali shops and industries, and small, cultivated plots along undeveloped or under-utilized urban land. Today, the dividing lines between Nairobi the garden city and Nairobi the self-help city are less distinct as informal housing and small-scale business activities are attracted to the large number of open areas in the city's upper income areas. The informal housing settlements of Nairobi are home to over half of the city's population, now estimated to be about 1.8 million (Lamba, 1994: 168).

The density of informal settlement is reflected in the amount of land they occupy: one third of Nairobi's population lives on only five percent of the city's land (Ibid.). On the other hand many city dwellers create local institution networks which provide them alternatives that are better adapted or necessary to their survival. These alternatives bring together legal bodies such as religious groups, neo-traditional and community groupings (CBOs), illegal organisations (street gangs, secret societies, organised crime) and organisations that alternate between two extremes (vigilantes, street hawkers, syndicates or political parties)

#### **4. Existing Government Policy and Strategic Frameworks for the Urban Sector**

During the last decade or so the government of Kenya has formulated policies and strategies to guide the development process in both rural and urban areas. These are mainly broad statements of intent and purpose of the direction of development that the government envisions. Though with limited positive impacts on the lives of the Kenyan people they provide a framework through which other development partners such as Civil Society Organisations (CSOs), community groups and the international agencies may operate. The following is a brief assessment of such frameworks that are under implementation in Kenya.

##### **4.1 Millennium Development Goals**

A status report on the progress of MDGs in Kenya indicates that progress has been made towards achieving the goal of universal primary education since 2003. However, the Government needs to scale-up its efforts beyond the current momentum, if the other goals are to be realised by 2015 (Kiringai 2008: 12). More resources need to be effectively used and targeted to MDG sectors for any substantial impacts to be realised. The target of 100 percent completion in primary school can be achieved with some additional resources targeted to the primary schools whereas substantial increase of resources is needed at secondary and tertiary level of education to reach other goals set by the government. Even if higher investment in all MDGs sectors is needed the water sector seems to be requiring a substantial increase compared to what have been invested in the past. With regard to poverty, results show that annual average real GDP growth rate of around 8 percent would be enough to meet the poverty target of reducing the number of poor by half (Ibid: 13).

##### **4.2 Vision 2030**

Vision 2030 is Kenya's development blueprint aiming at making the country a newly industrialized middle income nation, providing high quality of life for all the citizens. The Vision is based on three pillars namely; the Economic pillar, Social pillar and Political pillar. The economic pillar seeks to maintain a sustained economic growth of 10% p.a. over the next 25 years, the social pillar aims at ensuring a just and cohesive society enjoying equitable social development in a clean and secure environment while the political pillar aims at achieving at an issue-based, people-centred, result-oriented, and accountable democratic political system.

Varying responses have arisen out of the vision 2030 development strategy. One is the fact that it is an ambitious document, for example it proposes a sustained growth rate of over 10% for the next 22 years when growth has been only 3 percent for the last 16 years (World Bank, 2008). There is also criticism that the document is no less a budget planning document. The realization that inequalities and decentralisation should be addressed through the instrument of devolved funds is positive although transparency and accountability may pose key challenges during implementation of flagship projects. Finally, there are concerns on the zeal in government for this vision outside the ministry in-charge of it. This notwithstanding the strategy offers windows of opportunities that urban actors (CSOs, community groups and private sector) may exploit in pursuit of improved living standards for the poor.

##### **4.3 Kenya Slum Upgrading Programme**

The Kenya Slum Upgrading Programme was initiated in 2001 in response to the acute shortage of housing and the need to improve the lives of 5.4 million people working and living in the slums and informal settlements in urban areas in Kenya. By doing so, reducing poverty and therefore fulfilling the MDG Goal 7 target 11-of improving the lives of 100 million slum dwellers globally by the year 2020 (KENSUP strategy, 2005). Initial project activities have centred on social and physical mapping, and community mobilization; and physical works are progressively being phased in. Key components include the construction of flats and sites and service plots, infrastructure development and secure tenure. Questions have been raised about the affordability and viability of this approach amid fears, as has happened so often in the past that these units will eventually be absorbed into the middle-income housing market and will not serve the poor. The current physical planning guidelines present very high standards on development and their application to slum upgrading raises concern on affordability and availability of space.

In Kenya slums as in other parts of the world, have some combination of the following four characteristics: (i) informal or illegal land tenure; (ii) housing units built with poor quality or impermanent construction materials; (iii) settlements with layouts and units that fail to meet legally-specified space and planning standards and (iv) inadequate physical infrastructure and services—such as water supply, electricity, drainage, sanitation, and street lighting. The ambiguity regarding scale, combined with the lack of knowledge regarding life inside informal settlements, means that a sound understanding of the nature of slums and their dynamics is extremely limited. Such a partial understanding may well have been a key reason for the limited success of previous programs, and is highly likely to confound the design, implementation, and success of the forthcoming generation of slum-improvement efforts as well.

#### **4.4 Devolved Funds**

New funding channels compete with local authorities and are poorly coordinated. The government since 2000 to date has implemented changes in the structure of the inter-governmental fiscal system by creating new mechanisms for channelling funds for public service delivery to communities. These funding mechanisms, which include LATF, CDF, the Road Maintenance Fund, the Education Bursary Fund, and the HIV/AIDS Fund, are managed at the national level either by line ministry departments directly or through agencies that are controlled by line ministries or national committees and with poorly staffed local committees. In particular, the CDF is managed by a national committee of Parliament, an arrangement that is thought to violate the principle of the separation of powers, as the legislature is directly involved in the execution of programmes for which it has allocated resources. The different mechanisms operate in parallel with the LA system and often in competition with it, with obvious duplication of effort and likely wastage of resources. The respective funding channels are also not coordinated.

#### **5. Past Lessons and Opportunities**

The Local Authority Service Delivery Action Plan (LASDAP) has been successful in generating a series of participatory meetings throughout Kenya.

However complaints abound in regard to the LASDAP process. In situations where residents have been involved, for majority of cases, after identification of projects only 50% ever get informed about the fate of their deliberations, and only get involved again when the need for project identification is next due (Syagga, 2007: 26). This is further evidenced by the low participation of the respondents in either implementation or monitoring of the projects. It can be positively argued, however, that LATF through the LASDAP process has encouraged citizen participation in LA development projects. There is thus need to upscale this process so that LAs become truly participatory so as to enable the citizens to participate in provision of services and projects in their areas. Other decentralised funds such as Constituency Development Fund and the Road Maintenance Levy have project committees that deal with implementation of funded projects. The land policy formulation process presents an example of an inclusive initiative that brought together government, professional, non-state actors and community representatives. The national land policy identifies certain key principles as central to the land issue in Kenya namely, access to land (security of land rights for all land holders, users and occupiers of Kenyan Citizenry), ownership, control of land, land use (decent livelihood and shelter for urban population), management of land, land markets. It is expected that the implementation this policy will be a milestone in the development of this country in regard to security of land tenure.

An example of the active involvement in land reform process was the Kenya Land Alliance a Civil Society Organisation (CSO) and has also been involved facilitation of communities for engagement. Land use planning is the process of organisation and order of human activities on land. Land use plans are expected to structure urban development, shape cities and facilitate social and economic development. However cities in developing countries are characterised by dual development, such as formal and informal developments, planned and unplanned settlements, and urban poor and urban rich. Urban planning has not favoured the urban poor and hence has contributed to the informality of the city. Even in towns where plans have been prepared implementation and adherence to their guidelines remain a challenge. Implementation of the plans has been limited due to the weak financial capacity of the local authority, lack of political will and commitment. Participatory urban planning exercises have been successfully completed in Nakuru, Kitale, Ruiru and Mavoko councils. Slum development is symptomatic of failed social, economic and political processes in Kenya. Past slum improvements have not realised any meaningful results such as sustainable incomes, housing and physical environment.

The government's goal should be to help break the high-cost, low-quality trap in Nairobi's slums by dealing with both tenure and infrastructure issues; for instance, offer a package of infrastructure services combined with improved security of tenure as an incentive. One example of such a "deal" is the one brokered by Pamoja Trust, an NGO, in Nairobi's Huruma settlement. The key aspects of this arrangement is an agreement, between landlords, tenants and Nairobi City Council, that requires landlords to give up control over some of their units in exchange for a formal title and investment in improving the retained units. Sustainable urban communities are difficult to be realised, given the very low incomes earned by majority of the urban residents. Microfinance institutions have in recent past targeted the poor in urban areas. However housing microfinance is a relatively new product in Kenya and is offered primarily by the National Cooperative Housing Union (NACHU) and the Kenya Affordable Shelter Project of the K-REP Development Agency. Pamoja Trust, through their Akiba Mashinani Trust, has also started to offer small loans to groups in upgrading sites. Another source of housing microfinance is Jamii Bora, (JB) a micro-finance institution which lends to poor borrowers who have saved with the institution. It uses classic micro-finance procedures, with borrowers forming small groups so that loans are in part secured by peer pressure.

Coordination of actors in the urban sector is a major challenge. Poor coordination has resulted to unnecessary duplication of efforts, wastage of resources and very thin spread of initiatives with little or no impacts on target communities. In 2004, the Nairobi City Council joined other stakeholders to formulate a crime prevention strategy with the support of UN-Habitat. This strategy has contributed to closer collaboration among the Council, the provincial administration, the police and business/residents associations, in the maintenance of law and order. The council has contributed to crime prevention by flood lighting selected high density slum areas, street lighting, opening up of roads, removing street families from the central business area and involving urban communities in the implementation of the crime prevention strategy. Citizens residing in informal settlements depend on water kiosks and pay far higher prices for water than those with house connections. In Nairobi, for instance, the price per m<sup>3</sup> at water kiosks is higher than Ksh 100. These higher prices do not reflect costs and are the symptoms of a non-competitive market for water given that water kiosks buy water from utilities at much lower prices, typically lower than the lifeline tariffs.

## **6. Conclusions**

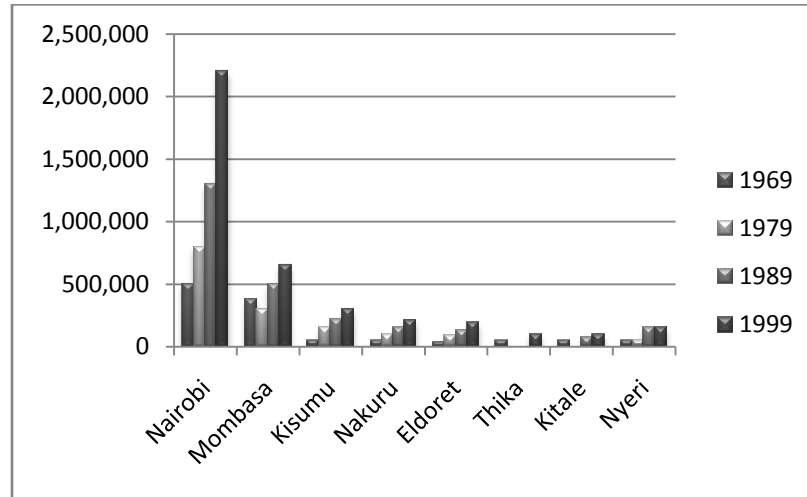
Capable leadership, institutional capacity, sound financial management, effective coordination and strong urban governance are essential ingredients of well functioning urban areas and therefore sustainable urban communities. Outcomes in Kenya have so far been disappointing. Improved governance coupled with financial and skills enhancement for the urban poor remains a key challenge and therefore an opportunity for CSOs to work in the urban sector.

Secondly, operators in the informal economy lack security and access to markets, financial services, and other types of business support. To break this cycle of informality and poverty, local authorities can (i) adjust their laws and regulations to lower the costs and increase the benefits for people to formalize their enterprises; and (ii) CSO can provide support in business training and access to credit to small enterprises to upgrade their skills and increase their access to productive resources and market opportunities.

Thirdly, many of the urban poor obtain an income from street trading, and many of the urban poor also buy from street traders — a phenomenon that performs an essential role both in terms of economic development and distribution of income. Women and youth are often over-represented in street-trading activities.

The space for and contribution of street vendors is much disputed and the subject of numerous confrontations, sometimes violent, between local governments and street traders. Authorities fear that incidences of violence and armed robberies may continue until alternative means of earning income are developed. At times, various municipalities tried to address the problem, by providing alternative business areas in indoor markets at inappropriate locations with unaffordable rents. Appropriate plans and prepared with the inclusion of the small scale business entrepreneurs may identify suitable areas for business.

**Figure 1:** Kenya’s urban population growth trend during the period 1969-1999



Source: CBS Population Census 1999

**Table 1:** Poverty Indicators for the Five Towns

	Nairobi	Mombasa	Kisumu	Eldoret	Nakuru
% below poverty line					
WMS	50.2	38.3	63.4	43.5	40.6
KIHBS	21.3	37.6	3.47	42.3	50.2
% Female headed households below poverty line					
KIHBS	25.9	48.8	15.3	28.5	-
Average household size	3.8	4.5	4.8	3.5	3.6

Source: GOK; WMS, 1997 and KIHBS, 2006

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